

ASSEMBLY, No. 3449

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED MARCH 8, 2022

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:

Assemblymen Umba and Torrissi

SYNOPSIS

Permits farm wineries to create alternating proprietorship for production of wine.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/12/2022)

1 AN ACT concerning winery licensing and amending R.S.33:1-10.

2

3 **BE IT ENACTED** *by the Senate and General Assembly of the State*
4 *of New Jersey:*

5

6 1. R.S.33:1-10 is amended to read as follows:

7 33:1-10. Plenary brewery license. 1a. The holder of this
8 license shall be entitled, subject to rules and regulations, to brew
9 any malt alcoholic beverages and to sell and distribute his products
10 to wholesalers and retailers licensed in accordance with this
11 chapter, and to sell and distribute without this State to any persons
12 pursuant to the laws of the places of such sale and distribution, and
13 to maintain a warehouse; provided, however, that the delivery of
14 this product by the holder of this license to retailers licensed under
15 this title shall be from inventory in a warehouse located in this State
16 which is operated under a plenary brewery license. The fee for this
17 license shall be \$10,625.

18 Limited brewery license. 1b. The holder of this license shall be
19 entitled, subject to rules and regulations, to brew any malt alcoholic
20 beverages in a quantity to be expressed in said license, dependent
21 upon the following fees and not in excess of 300,000 barrels of 31
22 fluid gallons capacity per year and to sell and distribute this product
23 to wholesalers and retailers licensed in accordance with this
24 chapter, and to sell and distribute without this State to any persons
25 pursuant to the laws of the places of such sale and distribution, and
26 to maintain a warehouse; provided, however, that the delivery of
27 this product by the holder of this license to retailers licensed under
28 this title shall be from inventory in a warehouse located in this State
29 which is operated under a limited brewery license. The holder of
30 this license shall be entitled to sell this product at retail to
31 consumers on the licensed premises of the brewery for consumption
32 on the premises, but only in connection with a tour of the brewery,
33 or for consumption off the premises in a quantity of not more than
34 15.5 fluid gallons per person, and to offer samples for sampling
35 purposes only pursuant to an annual permit issued by the director.
36 The holder of this license shall not sell food or operate a restaurant
37 on the licensed premises. The fee for this license shall be graduated
38 as follows:

39 to so brew not more than 50,000 barrels of 31 liquid gallons
40 capacity per annum, \$1,250;

41 to so brew not more than 100,000 barrels of 31 fluid gallons
42 capacity per annum, \$2,500;

43 to so brew not more than 200,000 barrels of 31 fluid gallons
44 capacity per annum, \$5,000;

45 to so brew not more than 300,000 barrels of 31 fluid gallons
46 capacity per annum, \$7,500.

47 For the purposes of this subsection, "sampling" means the selling
48 at a nominal charge or the gratuitous offering of an open container

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 not exceeding four ounces of any malt alcoholic beverage. For the
2 purposes of this subsection, "product" means any malt alcoholic
3 beverage that is produced on the premises licensed under this
4 subsection.

5 Restricted brewery license. 1c. The holder of this license shall
6 be entitled, subject to rules and regulations, to brew any malt
7 alcoholic beverages in a quantity to be expressed in such license not
8 in excess of 10,000 barrels of 31 gallons capacity per year.
9 Notwithstanding the provisions of R.S.33:1-26, the director shall
10 issue a restricted brewery license only to a person or an entity
11 which has identical ownership to an entity which holds a plenary
12 retail consumption license issued pursuant to R.S.33:1-12, provided
13 that such plenary retail consumption license is operated in
14 conjunction with a restaurant regularly and principally used for the
15 purpose of providing meals to its customers and having adequate
16 kitchen and dining room facilities, and that the licensed restaurant
17 premises is immediately adjoining the premises licensed under this
18 subsection. The holder of this license shall be entitled to sell or
19 deliver the product to that restaurant premises. The holder of this
20 license also shall be entitled to sell and distribute the product to
21 wholesalers licensed in accordance with this chapter. The fee for
22 this license shall be \$1,250, which fee shall entitle the holder to
23 brew up to 1,000 barrels of 31 liquid gallons per annum. The
24 licensee also shall pay an additional \$250 for every additional 1,000
25 barrels of 31 fluid gallons produced. The fee shall be paid at the
26 time of application for the license, and additional payments based
27 on barrels produced shall be paid within 60 days following the
28 expiration of the license term upon certification by the licensee of
29 the actual gallons brewed during the license term. No more than 10
30 restricted brewery licenses shall be issued to a person or entity
31 which holds an interest in a plenary retail consumption license. If
32 the governing body of the municipality in which the licensed
33 premises will be located should file a written objection, the director
34 shall hold a hearing and may issue the license only if the director
35 finds that the issuance of the license will not be contrary to the
36 public interest. All fees related to the issuance of both licenses shall
37 be paid in accordance with statutory law. The provisions of this
38 subsection shall not be construed to limit or restrict the rights and
39 privileges granted by the plenary retail consumption license held by
40 the holder of the restricted brewery license issued pursuant to this
41 subsection.

42 The holder of this license shall be entitled to offer samples of its
43 product for promotional purposes at charitable or civic events off
44 the licensed premises pursuant to an annual permit issued by the
45 director.

46 For the purposes of this subsection, "sampling" means the selling
47 at a nominal charge or the gratuitous offering of an open container
48 not exceeding four ounces of any malt alcoholic beverage product.

1 For the purposes of this subsection, "product" means any malt
2 alcoholic beverage that is produced on the premises licensed under
3 this subsection.

4 Plenary winery license. 2a. Provided that the holder is engaged
5 in growing and cultivating grapes or fruit used in the production of
6 wine on at least three acres on, or adjacent to, the winery premises,
7 the holder of this license shall be entitled, subject to rules and
8 regulations, to produce any fermented wines, and to blend, fortify
9 and treat wines, and to sell and distribute his products to
10 wholesalers licensed in accordance with this chapter and to
11 churches for religious purposes, and to sell and distribute without
12 this State to any persons pursuant to the laws of the places of such
13 sale and distribution, and to maintain a warehouse, and to sell his
14 products at retail to consumers on the licensed premises of the
15 winery for consumption on or off the premises and to offer samples
16 for sampling purposes only. The fee for this license shall be \$938.
17 A holder of this license who produces not more than 250,000
18 gallons per year shall also have the right to sell and distribute his
19 products to retailers licensed in accordance with this chapter, except
20 that the holder of this license shall not use a common carrier for
21 such distribution. The fee for this additional privilege shall be
22 graduated as follows: a licensee who manufactures more than
23 150,000 gallons, but not in excess of 250,000 gallons per annum,
24 \$1,000; a licensee who manufactures more than 100,000 gallons,
25 but not in excess of 150,000 gallons per annum, \$500; a licensee
26 who manufactures more than 50,000 gallons, but not in excess of
27 100,000 gallons per annum, \$250; a licensee who manufactures
28 50,000 gallons or less per annum, \$100. A holder of this license
29 who produces not more than 250,000 gallons per year shall have the
30 right to sell such wine at retail in original packages in 15
31 salesrooms apart from the winery premises for consumption on or
32 off the premises and for sampling purposes for consumption on the
33 premises, at a fee of \$250 for each salesroom. Licensees shall not
34 jointly control and operate salesrooms. Additionally, the holder of
35 this license who produces not more than 250,000 gallons per year
36 may ship not more than 12 cases of wine per year, subject to
37 regulation, to any person within or without this State over 21 years
38 of age for personal consumption and not for resale. A case of wine
39 shall not exceed a maximum of nine liters. A copy of the original
40 invoice shall be available for inspection by persons authorized to
41 enforce the alcoholic beverage laws of this State for a minimum
42 period of three years at the licensed premises of the winery. For the
43 purposes of this subsection, "sampling" means the selling at a
44 nominal charge or the gratuitous offering of an open container not
45 exceeding one and one-half ounces of any wine.

46 A holder of this license who produces not more than 250,000
47 gallons per year shall not own, either in whole or in part, or hold,
48 either directly or indirectly, any interest in a winery that produces

1 more than 250,000 gallons per year. In addition, a holder of this
2 license who produces more than 250,000 gallons per year shall not
3 own, either in whole or in part, or hold, either directly or indirectly,
4 any interest in a winery that produces not more than 250,000
5 gallons per year. For the purposes of this subsection, "product"
6 means any wine that is produced, blended, fortified, or treated by
7 the licensee on its licensed premises situated in the State of New
8 Jersey. For the purposes of this subsection, "wine" shall include
9 "hard cider" and "mead" as defined in this section.

10 Farm winery license. 2b. The holder of this license shall be
11 entitled, subject to rules and regulations, to manufacture any
12 fermented wines and fruit juices in a quantity to be expressed in
13 said license, dependent upon the following fees and not in excess of
14 50,000 gallons per year and to sell and distribute his products to
15 wholesalers and retailers licensed in accordance with this chapter
16 and to churches for religious purposes and to sell and distribute
17 without this State to any persons pursuant to the laws of the places
18 of such sale and distribution, and to maintain a warehouse and to
19 sell at retail to consumers for consumption on or off the licensed
20 premises and to offer samples for sampling purposes only. The
21 license shall be issued only when the winery at which such
22 fermented wines and fruit juices are manufactured is located and
23 constructed upon a tract of land exclusively under the control of the
24 licensee, provided that the licensee is actively engaged in growing
25 and cultivating an area of not less than three acres on or adjacent to
26 the winery premises and on which are growing grape vines or fruit
27 to be processed into wine or fruit juice; and provided, further, that
28 for the first five years of the operation of the winery such fermented
29 wines and fruit juices shall be manufactured from at least 51
30 percent grapes or fruit grown in the State and that thereafter they
31 shall be manufactured from grapes or fruit grown in this State at
32 least to the extent required for labeling as "New Jersey Wine" under
33 the applicable federal laws and regulations. The containers of all
34 wine sold to consumers by such licensee shall have affixed a label
35 stating such information as shall be required by the rules and
36 regulations of the Director of the Division of Alcoholic Beverage
37 Control. The fee for this license shall be graduated as follows: to so
38 manufacture between 30,000 and 50,000 gallons per annum, \$375;
39 to so manufacture between 2,500 and 30,000 gallons per annum,
40 \$250; to so manufacture between 1,000 and 2,500 gallons per
41 annum, \$125; to so manufacture less than 1,000 gallons per annum,
42 \$63. No farm winery license shall be held by the holder of a plenary
43 winery license [or be situated on a premises licensed as a plenary
44 winery].

45 The holder of this license shall also have the right to sell and
46 distribute his products to retailers licensed in accordance with this
47 chapter, except that the holder of this license shall not use a
48 common carrier for such distribution. The fee for this additional

1 privilege shall be \$100. The holder of this license shall have the
2 right to sell his products in original packages at retail to consumers
3 in 15 salesrooms apart from the winery premises for consumption
4 on or off the premises, and for sampling purposes for consumption
5 on the premises, at a fee of \$250 for each salesroom. Licensees
6 shall not jointly control and operate salesrooms. Additionally, the
7 holder of this license may ship not more than 12 cases of wine per
8 year, subject to regulation, to any person within or without this
9 State over 21 years of age for personal consumption and not for
10 resale. A case of wine shall not exceed a maximum of nine liters. A
11 copy of the original invoice shall be available for inspection by
12 persons authorized to enforce the alcoholic beverage laws of this
13 State for a minimum period of three years at the licensed premises
14 of the winery. For the purposes of this subsection, "sampling"
15 means the selling at a nominal charge or the gratuitous offering of
16 an open container not exceeding one and one-half ounces of any
17 wine.

18 A holder of this license who produces not more than 250,000
19 gallons per year shall not own, either in whole or in part, or hold,
20 either directly or indirectly, any interest in a winery that produces
21 more than 250,000 gallons per year.

22 An applicant for a farm winery license may apply to the director
23 to enter into an agreement with a host New Jersey winery to use the
24 host's equipment and space in an alternating proprietorship for
25 production of wine in a manner consistent with regulations
26 promulgated by the Alcohol and Tobacco Tax and Trade Bureau.
27 The director may grant a farm winery license to the applicant for
28 use in an alternating proprietor winery even when the applicant's
29 grapes or other fruit used in production are not grown on property
30 adjacent to the winery premises and the applicant does not have
31 exclusive control over the entire winery premises.

32 Unless otherwise indicated, for the purposes of this subsection,
33 with respect to farm winery licenses, "manufacture" means the
34 vinification, aging, storage, blending, clarification, stabilization and
35 bottling of wine or juice from New Jersey fruit to the extent
36 required by this subsection.

37 For the purposes of this subsection, "wine" shall include "hard
38 cider" and "mead" as defined in this section.

39 Wine blending license. 2c. The holder of this license shall
40 be entitled, subject to rules and regulations, to blend, treat, mix, and
41 bottle fermented wines and fruit juices with non-alcoholic
42 beverages, and to sell and distribute his products to wholesalers and
43 retailers licensed in accordance with this chapter, and to sell and
44 distribute without this State to any persons pursuant to the laws of
45 the places of such sale and distribution, and to maintain a
46 warehouse. The fee for this license shall be \$625.

47 For the purposes of this subsection, "wine" shall include "hard
48 cider" and "mead" as defined in this section.

1 Instructional winemaking facility license. 2d. The
2 holder of this license shall be entitled, subject to rules and
3 regulations, to instruct persons in and provide them with the
4 opportunity to participate directly in the process of winemaking and
5 to directly assist such persons in the process of winemaking while
6 in the process of instruction on the premises of the facility. The
7 holder of this license also shall be entitled to manufacture wine on
8 the premises not in excess of an amount of 10 percent of the wine
9 produced annually on the premises of the facility, which shall be
10 used only to replace quantities lost or discarded during the
11 winemaking process, to maintain a warehouse, and to offer samples
12 produced by persons who have received instruction in winemaking
13 on the premises by the licensee for sampling purposes only on the
14 licensed premises for the purpose of promoting winemaking for
15 personal or household use or consumption. Wine produced on the
16 premises of an instructional winemaking facility shall be used,
17 consumed or disposed of on the facility's premises or distributed
18 from the facility's premises to a person who has participated
19 directly in the process of winemaking for the person's personal or
20 household use or consumption. The holder of this license may sell
21 mercantile items traditionally associated with winemaking and
22 novelty wearing apparel identified with the name of the
23 establishment licensed under the provisions of this section. The
24 holder of this license may use the licensed premises for an event or
25 affair, including an event or affair at which a plenary retail
26 consumption licensee serves alcoholic beverages in compliance
27 with all applicable statutes and regulations promulgated by the
28 director. The fee for this license shall be \$1,000. For the purposes
29 of this subsection, "sampling" means the gratuitous offering of an
30 open container not exceeding one and one-half ounces of any wine.

31 For the purposes of this subsection, "wine" shall include "hard
32 cider" and "mead" as defined in this section.

33 Out-of-State winery license. 2e. Provided that the applicant
34 does not produce more than 250,000 gallons of wine per year, the
35 holder of a valid winery license issued in any other state may make
36 application to the director for this license. The holder of this license
37 shall have the right to sell and distribute his products to wholesalers
38 licensed in accordance with this chapter and to sell such wine at
39 retail in original packages in 16 salesrooms apart from the winery
40 premises for consumption on or off the premises at a fee of \$250 for
41 each salesroom. Licensees shall not jointly control and operate
42 salesrooms. The annual fee for this license shall be \$938. A copy
43 of a current license issued by another state shall accompany the
44 application. The holder of this license also shall have the right to
45 sell and distribute his products to retailers licensed in accordance
46 with this chapter, except that the holder of this license shall not use
47 a common carrier for such distribution. The fee for this additional
48 privilege shall be graduated as follows: a licensee who

1 manufactures more than 150,000 gallons, but not in excess of
2 250,000 gallons per annum, \$1,000; a licensee who manufactures
3 more than 100,000 gallons, but not in excess of 150,000 gallons per
4 annum, \$500; a licensee who manufactures more than 50,000
5 gallons, but not in excess of 100,000 gallons per annum, \$250; a
6 licensee who manufactures 50,000 gallons or less per annum, \$100.
7 Additionally, the holder of this license may ship not more than 12
8 cases of wine per year, subject to regulation, to any person within or
9 without this State over 21 years of age for personal consumption
10 and not for resale. A case of wine shall not exceed a maximum of
11 nine liters. A copy of the original invoice shall be available for
12 inspection by persons authorized to enforce the alcoholic beverage
13 laws of this State for a minimum period of three years at the
14 licensed premises of the winery.

15 The licensee shall collect from the customer the tax due on the
16 sale pursuant to the "Sales and Use Tax Act," P.L.1966, c.30
17 (C.54:32B-1 et seq.) and shall pay the tax due on the delivery of
18 alcoholic beverages pursuant to the "Alcoholic beverage tax law,"
19 R.S.54:41-1 et seq. The Director of the Division of Taxation in the
20 Department of the Treasury shall promulgate such rules and
21 regulations necessary to effectuate the provisions of this paragraph,
22 and may provide by regulation for the co-administration of the tax
23 due on the delivery of alcoholic beverages pursuant to the
24 "Alcoholic beverage tax law," R.S.54:41-1 et seq. with the
25 administration of the tax due on the sale pursuant to the "Sales and
26 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

27 A holder of this license who produces not more than 250,000
28 gallons per year shall not own, either in whole or in part, or hold,
29 either directly or indirectly, any interest in a winery that produces
30 more than 250,000 gallons per year.

31 For the purposes of this subsection, "wine" shall include "hard
32 cider" and "mead" as defined in this section.

33 Cidery and meadery license. 2f. The holder of this license shall
34 be entitled, subject to rules and regulations, to manufacture hard
35 cider and mead and to sell and distribute these products to
36 wholesalers and retailers licensed in accordance with this chapter,
37 and to sell and distribute without this State to any persons pursuant
38 to the laws of the places of such sale and distribution, and to
39 maintain a warehouse. The holder of this license shall be entitled to
40 sell these products at retail to consumers on the licensed premises
41 for consumption on or off the premises and to offer samples for
42 sampling purposes only. The holder of this license shall be
43 permitted to offer for sale or make the gratuitous offering of
44 packaged crackers, chips, nuts, and similar snacks to consumers, but
45 shall not operate a restaurant on the licensed premises. The fee for
46 this license shall be \$938.

47 The holder of this license shall be entitled to manufacture hard
48 cider in a quantity not to exceed 50,000 barrels of 31 fluid gallons

1 capacity per year. With respect to the sale and distribution of hard
2 cider to a wholesaler, the licensee shall be subject to the same
3 statutory and regulatory requirements as a brewer, and hard cider
4 shall be considered a malt alcoholic beverage, for the purposes of
5 the "Malt Alcoholic Beverage Practices Act," P.L.2005, c.243
6 (C.33:1-93.12 et seq.). The holder of this license shall not directly
7 ship hard cider either within or without this State.

8 The holder of this license shall be entitled to manufacture not
9 more than 250,000 gallons of mead per year. The holder of this
10 license may ship not more than 12 cases of mead per year, subject
11 to regulation, to any person within or without this State over 21
12 years of age for personal consumption and not for resale. A case of
13 mead shall not exceed a maximum of nine liters. A copy of the
14 original invoice shall be available for inspection by persons
15 authorized to enforce the alcoholic beverage laws of this State for a
16 minimum period of three years at the licensed premises. As used in
17 this subsection:

18 "Hard cider" means a fermented alcoholic beverage derived
19 primarily from apples, pears, apple juice concentrate and water, or
20 pear juice concentrate and water, which may include spices, herbs,
21 honey, or other flavoring, and which contains at least one half of
22 one percent but less than eight and one half percent alcohol by
23 volume.

24 "Mead" means an alcoholic beverage primarily made from
25 honey, water, and yeast, and which may contain fruit, fruit juices,
26 spices, or herbs added before or after fermentation has completed,
27 except that the ratio of fermentable sugars from fruit or fruit juices
28 shall not exceed 49 percent of the total fermentable sugars used to
29 produce mead.

30 "Sampling" means the selling at a nominal charge or the
31 gratuitous offering of an open container not exceeding four ounces
32 of hard cider or mead produced on the licensed premises.

33 Plenary distillery license. 3a. The holder of this license shall be
34 entitled, subject to rules and regulations, to manufacture any
35 distilled alcoholic beverages and rectify, blend, treat and mix, and
36 to sell and distribute his products to wholesalers and retailers
37 licensed in accordance with this chapter, and to sell and distribute
38 without this State to any persons pursuant to the laws of the places
39 of such sale and distribution, and to maintain a warehouse. The fee
40 for this license shall be \$12,500.

41 Limited distillery license. 3b. The holder of this license shall be
42 entitled, subject to rules and regulations, to manufacture and bottle
43 any alcoholic beverages distilled from fruit juices and rectify,
44 blend, treat, mix, compound with wine and add necessary
45 sweetening and flavor to make cordial or liqueur, and to sell and
46 distribute to wholesalers and retailers licensed in accordance with
47 this chapter, and to sell and distribute without this State to any
48 persons pursuant to the laws of the places of such sale and

1 distribution and to warehouse these products. The fee for this
2 license shall be \$3,750.

3 Supplementary limited distillery license. 3c. The holder of this
4 license shall be entitled, subject to rules and regulations, to bottle
5 and rebottle, in a quantity to be expressed in said license, dependent
6 upon the following fees, alcoholic beverages distilled from fruit
7 juices by such holder pursuant to a prior plenary or limited distillery
8 license, and to sell and distribute his products to wholesalers and
9 retailers licensed in accordance with this chapter, and to sell and
10 distribute without this State to any persons pursuant to the laws of
11 the places of such sale and distribution, and to maintain a
12 warehouse. The fee for this license shall be graduated as follows:
13 to so bottle and rebottle not more than 5,000 wine gallons per
14 annum, \$313; to so bottle and rebottle not more than 10,000 wine
15 gallons per annum, \$625; to so bottle and rebottle without limit as
16 to amount, \$1,250.

17 Craft distillery license. 3d. The holder of this license shall be
18 entitled, subject to rules and regulations, to manufacture not more
19 than 20,000 gallons of distilled alcoholic beverages, to rectify,
20 blend, treat and mix distilled alcoholic beverages, to sell and
21 distribute this product to wholesalers and retailers licensed in
22 accordance with this chapter, and to sell and distribute without this
23 State to any persons pursuant to the laws of the places of such sale
24 and distribution, and to maintain a warehouse. The holder of this
25 license shall be entitled to sell this product at retail to consumers on
26 the licensed premises of the distillery for consumption on the
27 premises, but only in connection with a tour of the distillery, and
28 for consumption off the premises in a quantity of not more than five
29 liters per person. In addition, the holder of this license may offer
30 any person not more than three samples per calendar day for
31 sampling purposes only. For the purposes of this subsection,
32 "sampling" means the gratuitous offering of an open container not
33 exceeding one-half ounce serving of distilled alcoholic beverage
34 produced on the distillery premises. Nothing in this subsection shall
35 be deemed to permit the direct shipment of distilled spirits either
36 within or without this State.

37 The holder of this license shall not sell food or operate a
38 restaurant on the licensed premises. A holder of this license who
39 certifies that not less than 51 percent of the raw materials used in
40 the production of distilled alcoholic beverages under this section are
41 grown in this State or purchased from providers located in this State
42 may, consistent with all applicable federal laws and regulations,
43 label these distilled alcoholic beverages as "New Jersey Distilled."
44 The fee for this license shall be \$938.

45 Rectifier and blender license. 4. The holder of this license shall
46 be entitled, subject to rules and regulations, to rectify, blend, treat
47 and mix distilled alcoholic beverages, and to fortify, blend, and
48 treat fermented alcoholic beverages, and prepare mixtures of

1 alcoholic beverages, and to sell and distribute his products to
2 wholesalers and retailers licensed in accordance with this chapter,
3 and to sell and distribute without this State to any persons pursuant
4 to the laws of the places of such sale and distribution, and to
5 maintain a warehouse. The fee for this license shall be \$7,500.

6 Bonded warehouse bottling license. 5. The holder of this license
7 shall be entitled, subject to rules and regulations, to bottle alcoholic
8 beverages in bond on behalf of all persons authorized by federal and
9 State law and regulations to withdraw alcoholic beverages from
10 bond. The fee for this license shall be \$625. This license shall be
11 issued only to persons holding permits to operate Internal Revenue
12 bonded warehouses pursuant to the laws of the United States.

13 The provisions of section 21 of P.L.2003, c.117 amendatory of
14 this section shall apply to licenses issued or transferred on or after
15 July 1, 2003, and to license renewals commencing on or after July
16 1, 2003.

17 (cf: P.L.2017, c.80, s.1)

18
19 2. This act shall take effect immediately.
20
21

22 STATEMENT

23
24 This bill facilitates the creation of New Jersey wineries by
25 allowing small growers to share manufacturing responsibilities and
26 costs. Under current law, a farm winery is only eligible for a
27 license if all aspects of the manufacturing process occur at the same
28 location where grapes are grown. Wine manufacturing processes
29 are: vinification, aging, storage, blending, clarification,
30 stabilization, and bottling.

31 Under the bill, a person who is growing grapes on at least three
32 acres would be eligible to enter into an alternating proprietorship
33 with another individual or entity also involved in the growing and
34 cultivating of grapes on at least three acres.

35 Under the bill's provisions, an applicant for a farm winery
36 license may apply to the Director of the Division of Alcoholic
37 Beverage Control to enter into an agreement with a host New Jersey
38 winery to use the host's equipment and space in an alternating
39 proprietorship for production of wine in a manner consistent with
40 regulations promulgated by the federal Alcohol and Tobacco Tax
41 and Trade Bureau. If the applicant meets all other requirements for
42 licensure, the director may grant a farm winery license to the
43 applicant for use in an alternating proprietor winery even when the
44 applicant's grapes or other fruit used in production are not grown
45 on property adjacent to the winery premises and the applicant does
46 not have exclusive control over the entire winery premises.